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Perspectives

FOR APPAREL MANAGEMENT

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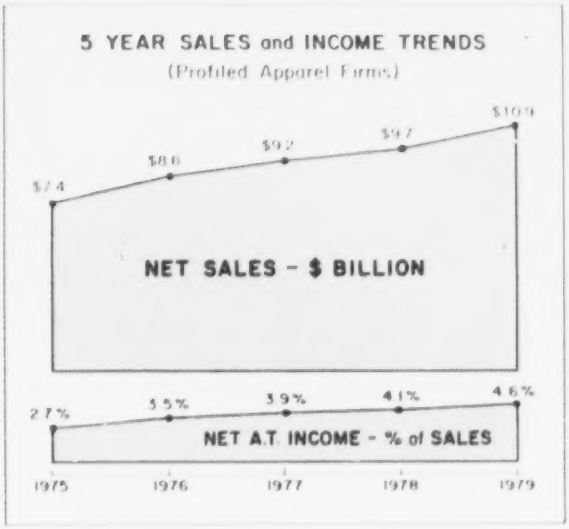
KSA's 8th Annual Apparel Industry Performance Profile

Fiscal 1979 financial reports of 84 public apparel companies extend uptrend a fourth year; diversified firms lead again.



This does not attempt to portray all public apparel companies — only those 84 firms in KSA's Profile this year.

THE PUBLIC SECTOR of the apparel industry registered its fourth consecutive year of stronger financial performance in fiscal 1979. KSA's annual Profile of publicly owned apparel companies shows gains in almost every significant ratio this year. Women's Wear firms chalked up the greatest year-to-year improvement, although that category's performance continues to lag below the levels reported for Men's Wear and Diversified.

Following two strong recovery years after the 1974-75 recession, apparel industry results tapered off slightly in fiscal 1978. The uptrend resumed last year — although it will probably be interrupted again by the recession that emerged in the Spring of 1980. How long and deep an interruption there will be is of course the industry's prime concern at this writing, but our purpose here is to review what happened in fiscal 1979 and the preceding four years. A study of 1975-1979 results could prove instructive for the days ahead, however.

Certainly, apparel's 1979 performance in the face of rising material and labor costs, extravagently high interest rates, expectations of a recession, and volatile international competition was unusually good. The industry once again demonstrated its relative immunity to bad news affecting the general economy.

Real Growth for Public Firms

The chart on this page shows a compounded annual increase of 11.8% in sales from 1975 to 1979 for the 84 companies in this year's Profile. That rate is roughly double the annual increase in wholesale apparel prices for the period, indicating real growth for the public apparel firms. Since annual unit growth for the industry — public and private — has been estimated at no more than 1-2%, the larger public corporations obviously are taking over a larger share of the market.

More important, compounded annual growth in net income averaged 38% during the same period. Last year's composite industry profits of $499.6 million

(Continued on page 4)

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HOW INDUSTRY SECTORS COMPARE

Sub-industry and Year	No. of Firms Reported	Sales ($000)	Net Income ($000)	Net A.T. Income on Sales %	Return on Total Equity %	Total Debt to Assets	Return on Total Assets %	Sales to Total Assets	Gross Margin %	Oper. Margin %	Inv. Turns	Return on Invested Capital %
Women's and Children's Wear (W)												
1979	39	1,760,895	35,957	2.04	7.42	46	4.00	1.96	26.86	5.54	3.69	5.75
1978	39	1,711,776	17,116	1.00	3.54	48	1.87	1.87	24.92	5.32	3.77	2.82
Men's and Boys' Wear (M)												
1979	23	2,540,798	79,138	3.11	11.60	54	5.28	1.69	23.00	6.53	3.09	7.71
1978	23	2,381,038	58,874	2.47	9.48	53	4.36	1.76	22.92	6.51	3.19	6.29
Diversified (D)												
1979	22	6,561,999	384,509	5.86	19.49	49	9.79	1.67	30.55	11.03	3.16	15.50
1978	22	5,641,254	320,798	5.69	18.45	46	9.79	1.72	29.86	11.43	3.12	14.68
Composite Total ■												
1979	84	10,863,692	499,604	4.60	15.91	50	7.90	1.71	28.19	9.09	3.22	12.09
1978	84	9,734,068	396,788	4.08	13.96	48	7.17	1.75	27.29	9.15	3.24	10.65

■ *Excludes conglomerates, miscellaneous, and multi-industry firms*

CLASSIFICATIONS

The list of firms on page 3 has three purposes:

1. To show the sales and net after-tax income of the public companies in this Profile who derive 50% or more of their total sales volume from apparel manufacturing. These firms are classified by the letters M (primarily men's and boys' wear), W (primarily women's and children's wear), and D (diversified products—neither men's wear nor women's wear predominate in the product mix.)

2. To indicate the *manufacturing* sales volume of firms who derive between 20% and 50% of their total revenues from apparel manufacturing. These companies are classified as I (Miscellaneous and Multi-industry). Also included in this category are companies who make sewn products such as gloves.

3. To indicate the manufacturing sales volume generated by the apparel divisions of large, multi-industry firms—conglomerates (C). Although such volume does not represent 20% of the total sales of these companies, it is over $50 million and hence, too large to ignore. Apparel manufacturing sales are isolated on the basis of annual report data or information furnished by the companies. (Unfortunately, after-tax earnings on such sales were not available.)

Although only their apparel manufacturing sales volume appears on the opposite page, total sales and income of the Miscellaneous and Multi-industry (I) firms, plus other key financial ratios, appear on page 8. These ratios are not shown for the conglomerates because their small percentage of apparel volume makes the total company ratios irrelevant to this report.

DISCLAIMER

The information presented in this Performance Profile was obtained from available annual reports made by public companies to their stockholders and to the Securities and Exchange Commission. While we believe the information furnished to be reliable, no representations are made as to the accuracy thereof. Kurt Salmon Associates assumes no responsibility for any errors in the Performance Profile, whether of omission or commission. Information presented herein is based solely on publicly available data; the confidentiality of KSA's client relationships has been maintained throughout. KSA's Financial Performance Profile is intended solely for the statistical information of the purchaser. It is not a representation, prospectus, or circular in respect of any stock or security of any corporation. The data and comments contained herein do not constitute investment advice in any form.

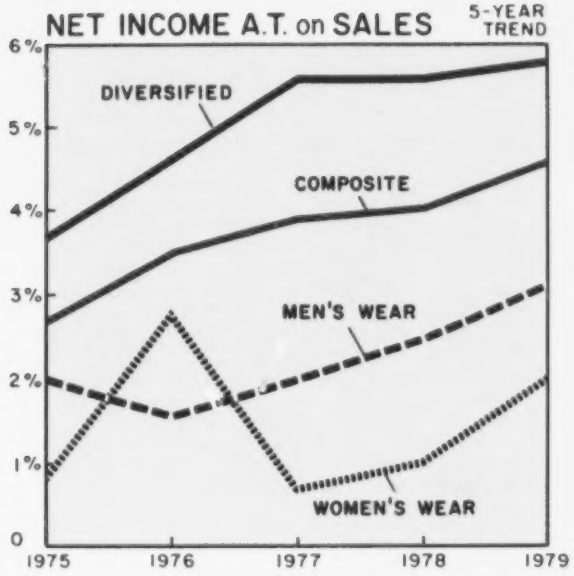
SALES and EARNINGS of APPAREL MANUFACTURERS

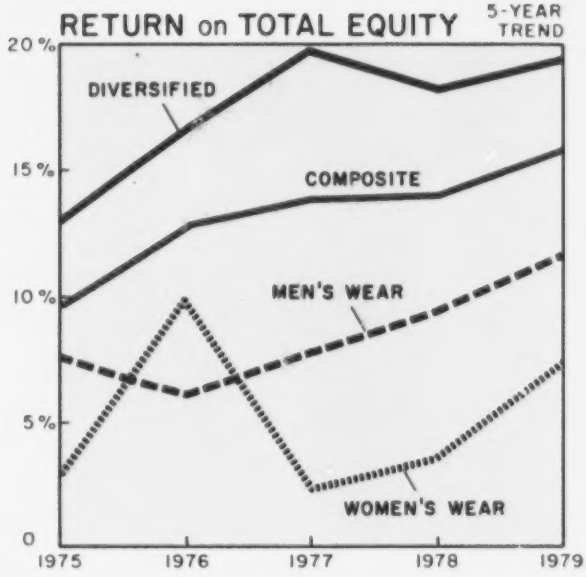
Sales Rank 79	78	Company	Sales ($000)	Net Income ($000)	79	78
1	1	Levi Strauss 11/79-D	2,103,109	191,454	1	1
2	2	Blue Bell 10/79-D	1,029,453	67,283	2	2
3	3	Interco 2/79-I	731,300	*	*	*
4	4	Cluett Peabody 12/79-M	671,572	17,377	4	4
5	6	VF Corp. 12/79-D	544,310	38,822	3	3
6	5	Kellwood Co. 4/79-D	521,119	4,388	21	7
7	*	Northwest Ind. 12/79-C■	492,000	*	*	*
8	7	Gulf & Western 7/79-C■	449,400	*	*	*
9	9	Warnaco, Inc. 12/79-D	448,345	16,564	5	8
10	11	Manhattan 1/79-D	349,395	8,949	10	12
11	10	Phil.-Van Heusen 1/79-M	326,957	8,935	11	81
12	14	Palm Beach Co. 10/79-D	323,701	13,755	8	6
13	19	General Mills 5/79-C■	275,000	*	*	*
14	15	Oxford Ind. 5/79-D	253,314	6,943	12	11
15	17	Hart Sch. & Marx 11/79-I	239,685	*	*	*
16	12	Consolidated Foods 6/79-C■	236,000	*	*	*
17	16	Salant Corp. 11/79-M	235,517	1,945	35	20
18	23	Leslie Fay 4/79-W	206,617	8,013	14	21
19	21	Russell Corp. 12/79-D	190,640	15,957	6	5
20	13	U.S. Industries 12/79-C■	185,000	*	*	*
21	26	Bobbie Brooks 5/79-W	181,940	9,161	9	9
22	22	Rapid American 1/79-C■	181,000	*	*	*
23	25	Cheesebrough-Ponds 12/79-C	176,000	*	*	*
24	18	Genesco 7/79-I	173,817	*	*	*
25	27	Puritan Fashion 12/79-W	160,335	5,898	16	82
26	28	Workwear Corp. 12/79-D	156,441	5,353	17	22
27	31	Wm. Carter Co. 12/79-W	149,397	4,617	20	17
28	29	Tultex 11/79-M	142,145	5,986	15	13
29	30	Russ Togs 1/79-W	136,164	6,346	13	15
30	34	Jantzen 8/79-D	134,190	4,141	23	14
31	36	Munsingwear 12/79-D	131,245	1,483	40	25
32	32	Talley Ind. 3/79-I	120,000	*	*	*
33	35	Garan 9/79-M	111,093	4,804	18	16
34	37	Bayly Corp. 10/79-M	109,784	3,572	25	29
35	42	Hampton Ind. 12/79-M	95,771	3,076	28	27
36	45	Kennington 12/79-M	94,678	14,699	7	10
37	40	Champion Prod. 12/79-D	92,843	3,122	27	26
38	39	Farah Mfg. Co. 10/79-M	91,207	4,651	19	80
39	38	Stanwood Corp. 8/79-M	88,691	4,160	22	18
40	41	Billy the Kid 9/79-M	82,351	1,421	41	36
41	51	Chromalloy Amer. 12/79-C■	75,000	*	*	*
42	50	Angelica 1/79-I■	73,067	*	*	*
43	44	Wilson Bros. 12/79-M	71,284	-2,545	80	77
44	47	After Six 6/79-M	71,013	1,265	45	31
45	43	Wayne-Gossard 12/79-D	68,800	-359	75	38
46	53	Harwood Co. 12/79-M	66,488	-2,369	79	40
47	58	Pat Fashions 11/79-W	65,785	2,316	31	28
48	57	Superior Surg. 12/79-D	64,525	1,810	38	35
49	55	Aileen 11/79-W	60,080	630	52	84
50	54	Lynnwear Corp. 11/79-W	58,920	-3,837	83	45
51	56	Fritzi of Calif. 9/79-W	58,244	2,128	32	30
52	64	Boss Mfg. Co. 3/79-I■	55,438	1,440	*	*
53	*	Jody Tootique 9/79-W	51,893	3,705	24	23
54	71	House of Ronnie 6/79-W	50,217	3,003	29	32
55	61	Tobias Kotzin 10/79-M	49,571	3,377	26	19
56	65	Unitog Company 1/79-D	49,120	1,273	44	43
57	62	Movie Star 5/79-W	48,619	2,065	34	37
58	59	Jack Winter 11/79-W	48,008	-209	71	24
59	67	Oneita Knitting 12/79-M	46,807	1,845	37	46
60	60	Garland Corp. 10/79-W	46,329	-1,446	78	76
61	63	Damon Creations 4/79-M	45,519	801	48	39
62	66	Olga Co. 12/79-W	43,042	1,407	42	41
63	68	Quality Mills 12/79-M	40,558	2,682	30	78
64	76	Country Miss 9/79-W	35,167	2,068	33	47
65	96	Raven Ind. 1/79-D	32,498	1,544	39	42
66	48	Opelika 10/79-I	30,570	*	*	*
67	82	Oshkosh B'Gosh 12/79-M	30,188	1,893	36	34
68	74	Abe Schrader 7/79-W	28,754	83	65	49
69	78	Richton Int'l 4/79-I	28,572	*	*	*
70	90	Kleinert's 9/79-W	28,552	-5,818	84	33
71	83	Hers Apparel 2/79-W	28,346	351	58	50
72	81	Miller Bros. 9/79-M	26,860	59	66	73
73	49	Spencer Cos. 8/79-I	26,400	*	*	*
74	77	Joni Blair 6/79-W	25,835	1,238	77	51
75	80	Bodin Apparel 7/79-W	24,098	2,995	82	79
76	89	Nexus 7/79-D	23,509	716	51	59
77	85	Harvey Woods 12/79-M	23,317	752	49	48
78	87	Sue Ann 3/79-W	23,008	877	47	57
79	86	Barco of Calif. 6/79-W	22,747	722	50	58
80	91	Fownes Bros. 12/79-I	21,253	1,570	*	*
81	88	Noel Industries 10/79-D	20,734	123	63	72
82	92	Splentex 12/79-W	20,078	584	53	54
83	93	Doe Spun 4/79-W	18,993	1,329	43	52
84	79	Fairfield-Noble 6/79-W	18,081	-2,614	81	83
85	94	Biltmore Ind. 12/79-I■	17,482	551	*	*
86	*	Gladding Corp. 9/79-I	15,872	*	*	*
87	97	Nat'l Student Mkt. 12/79-I	15,547	*	*	*
88	98	Lilli Ann 12/79-W	13,984	522	56	55
89	95	Alison Ayres 7/79-W	13,434	-95	70	74
90	106	Nantucket Ind. 2/79-W	12,540	246	61	67
91	101	State-O-Maine 2/79-M	11,775	394	57	53
92	99	Stardust 6/79-W	11,694	297	74	70
93	105	King Louie Int'l 1/79-D	11,677	1,044	46	44
94	102	Daisyfresh 12/79-W	11,328	-95	69	85
95	100	Martha Manning 12/79-W	10,195	246	73	66
96	114	Mack Shirt Corp. 12/79-W	9,972	549	55	68
97	113	Howard B. Wolf 5/79-W	7,843	550	54	60
98	108	Monarch Wear 10/79-W	7,707	-455	76	56
99	110	Fox Knapp Mfg. 5/79-M	7,652	278	60	62
100	109	Falco Sports 8/79-D	7,472	2	68	61
101	111	Kate Greenaway 1/79-W	7,255	-220	72	75
102	112	ProGroup 9/79-I	6,780	*	*	*
103	117	Ann Stevens 6/79-W	6,397	281	59	64
104	118	Bi-State Ind. 3/79-W	5,754	99	64	69
105	115	Kappa Frocks 10/79-W	5,745	12	67	71
106	116	Profile Sports 2/79-D	5,559	142	62	63

Sales Total $14,488,875

* *Unavailable*

■ *Estimated; sales figures may include some non-apparel sales*





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were 2½ times the dollar income realized in 1975 by the same firms, and they represented a net income on 1979 sales of 4.6% — the highest such figure in any of the eight Profiles compiled to date by KSA.

The primary cause for such profit improvement has been a gradual rise in gross margins — from 25.8% of sales in 1975 to 28.2% last year. Better costing and controls in manufacturing have helped, as can be seen in the P & L data analysis on the next page.

Other ratios from the industry's composite P & L and Balance Sheets are equally impressive: Return on Total Equity increased from 9.7% in 1975 to 15.9% in 1979; Return on Invested Capital went from 7.0% to 12.1% in the five-year period, and Operating Earnings for all companies rose from 7.1% to 9.1% (see charts.)

Fall-out

Another trend continued in the opposite direction last year; the number of public apparel companies profiled again decreased. For fiscal 1979, 14 companies fell out of the Profile, and only one firm was added. Among the missing, five companies were acquired by others and four are now closely held or private. A late filing extension prevented the inclusion of Jonathan Logan's annual report this year.

One consequence of such shrinkage is that there are only 34 firms over the $100 million mark in the Sales and Earnings table on page 3 this year. However, the total volume of these large firms was up, and their leadership in other aspects of financial performance was again evident. By themselves, Levi Strauss and Blue Bell accounted for 29% of total industry volume, and 52% of the profits reported in this Profile.

Diversified Dominates

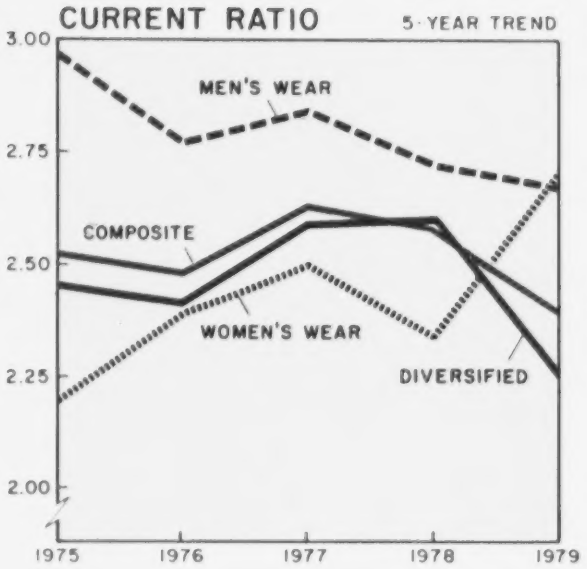
As usual, the 22 Diversified companies dominate the intra-industry comparisons. They accounted for three-fifths of the sales volume covered by detailed analysis in this Profile, and over three-quarters of the profits. The Diversified sector's return ratios more than doubled those of Women's Wear in places, with 5.9% on sales, 19.5% on equity, 9.8% on total assets, and 15.5% on invested capital. These were all increases over 1978, and were also five-year highs for the group.

A company is placed in the Diversified classification if it offers several product lines with neither men's wear nor women's wear predominating. While diversification certainly offers hedges against style fluctuations, that is not enough to account for the widening gap between this group's performance and those turned in by Women's Wear and Men's Wear. Each year's Profile yields stronger evidence that the advantages of *large size* — marketing strength, financial resources, professional management, lower costs —are the prime reasons for the difference in results.

Half of the Diversified firms had sales over $100 million in 1979, led by giants like Levi, Blue Bell, VF, Kellwood, and Warnaco. If the results of the apparel subsidiaries of conglomerates like Interco, Gulf &

The need to establish a cut-off date (12/31) for annual reports used in these Profiles causes difficulties for both KSA and those public companies whose fiscal years close one or two months after the cut-off — and who may have already announced another year's results by the time the Profiles are issued each May.

More than four months are needed to gather reports, analyze them, run computer programs and print the results for both apparel and textiles. In order to report each year's performance before the following June the present cut-off date must be adhered to without exception. We regret any inconvenience this may cause.



Western, General Mills, and others could be isolated and included, this upper tier of the industry would undoubtedly show even stronger performance ratios.

Investment Pays Off

Among other things, the larger diversified firms have been investing in themselves at a greater rate than the other two categories. In fiscal 1979, their capital expenditures were double their depreciation and 2.5% of sales (see table below.) This unquestionably contributed to their lower manufacturing costs and 30.5% gross margin last year, which was 2.5 points higher than it was in 1975.

CAPITAL EXPENDITURES AS A % OF SALES

	Women's Wear	Men's Wear	Diversified	All Industry Composite
1976	1.51%	1.78%	1.93%	1.81%
1977	1.76%	1.75%	2.18%	2.00%
1978	1.58%	1.96%	2.52%	2.22%
1979	1.32%	1.89%	2.51%	2.17%

Diversified companies have achieved a return on total equity that exceeds those of industries like aerospace, pharmaceuticals, and oil. However, the rate of growth in this ratio has slowed — suggesting that a 19% return may be approaching the optimal level for apparel.

Women's Wear: Traveling Light

The same table on capital expenditures shows women's wear firms going the other way and investing less of their sales dollars in new plant and equipment. While they are traditionally more active in sourcing — using other companies' facilities in the U.S. and abroad to manufacture their products — the trend away from fixed assets among women's wear firms seems to be accelerating. If some of the larger designer jeans companies were included, this difference would be even greater.

The profit-and-loss profile for Women's Wear in fiscal 1979 is thoroughly mixed. While the group's composite profits doubled on only a 3% sales increase, one-third of the companies showed losses.

Among the firms that held Women's Wear above water, Bobbie Brooks continued its comeback with a solid 5% profit on sales, Puritan's designer jeans

(Continued on page 9)

Composite P & L Data — 1979

	Men's Wear	Women's Wear	Diversified
Cost of Goods Sold	77.0%	73.1%	69.5%
SG & A	16.5	21.3	19.5
Operating Earnings	6.5	5.5	11.0
Net A.T. Income	3.1	2.0	5.9

SG & A costs rose for both Women's Wear and Diversified this year. With more product lines and designer names, this cost element bears watching. In a $35 million firm, the gains from a million-dollar investment in new equipment can be offset by a 1% rise in SG & A.

APPAREL PERFORMANCE PROFILE—FISCAL 1979

79 Sales Rank	Company	Net A.T. Inc. on Sales %	79	78	Return on Total Equity %	79	78	Total Debt to Assets	79	78	Return on Total Assets %	79	78	Sales to Total Assets	79	78	Gross Margin %	79	78	Operating Margin %	79	78	Inventory Turns	79	78	Return on Invested Capital %	79	78
68	Abe Schrader 7/79-W	.21	59	41	.61	61	47	.14	81	83	.53	60	21	2.42	16	10	24.49	51	24	.51	73	51	5.02	12	11	.81	61	35
44	After Six 6/79-M	1.78	49	31	4.69	54	48	.62	19	21	1.76	54	55	.99	82	84	29.61	20	15	6.80	37	29	1.79	81	82	2.77	54	48
49	Aileen 11/79-W	1.04	55	75	1.80	58	74	.28	73	69	1.28	56	75	1.22	79	81	18.13	71	82	1.02	71	83	3.38	43	58	1.49	58	73
89	Alison Ayres 7/79-W	−.70	65	70	−8.31	68	73	.67	9	9	−2.73	66	72	3.86	1	4	28.35	30	40	1.19	67	79	7.73	3	8	−8.03	68	75
103	Ann Stevens 6/79-W	4.39	15	26	26.94	6	6	.54	34	39	12.13	8	8	2.76	9	3	26.01	43	43	9.09	19	35	3.60	34	12	26.94	2	4
79	Barco of Calif. 6/79-W	3.17	35	56	6.45	46	60	.14	81	79	5.53	35	58	1.74	46	65	27.66	33	41	5.87	46	65	2.53	69	71	6.33	44	60
34	Bayly Corp. 10/79-M	3.25	32	46	16.48	20	27	.55	29	22	7.28	25	39	2.23	20	18	18.70	69	73	6.26	40	50	4.08	24	38	10.93	26	40
104	Bi-State Ind. 3/79-W	1.72	51	59	16.30	21	31	.85	16	11	5.65	33	49	3.28	4	6	24.08	52	46	3.49	58	68	8.31	2	3	16.30	11	20
40	Billy the Kid 9/79-M	1.72	51	50	9.41	41	30	.86	12	10	3.14	52	53	1.82	41	45	25.07	49	55	5.53	50	64	3.28	49	53	4.93	48	47
2	Blue Bell 10/79-D	6.53	9	9	18.93	11	16	.47	47	60	9.90	15	12	1.51	56	59	30.99	15	22	12.05	8	11	2.84	60	65	16.91	10	11
21	Bobbie Brooks 5/79-W	5.03	+	+	24.53	+	+	.57	22	28	10.32	+	+	2.05	25	14	28.86	26	11	6.29	39	25	4.22	21	26	15.10	+	+
75	Bodin Apparel 7/79-W	−12.42	76	74	−33.17	73	69	.53	37	58	−15.31	75	73	1.23	78	76	17.43	74	83	−10.75	83	84	3.50	37	14	−20.63	73	71
37	Champion Prod. 12/79-D	3.36	29	29	11.40	34	41	.45	53	44	6.17	32	37	1.83	39	54	26.65	41	39	8.38	25	33	2.98	57	67	8.43	34	43
4	Cluett Peabody 12/79-M	2.58	45	30	8.66	44	43	.48	46	53	4.46	44	35	1.72	47	52	22.84	56	50	4.84	56	49	3.32	47	49	6.12	45	42
64	Country Miss 9/79-W	5.88	12	25	27.94	4	8	.55	29	16	12.47	7	22	2.12	21	28	34.10	7	16	13.07	6	18	4.26	20	23	17.96	8	15
94	Daisyfresh 12/79-W	−.83	66	61	−2.65	65	59	.46	52	44	−1.42	65	62	1.70	50	67	100.00	§	§	−1.59	77	74	0.00	§	44	−2.65	65	59
61	Damon Creations 4/79-M	1.75	50	37	6.21	50	36	.47	47	46	3.24	50	32	1.84	38	24	28.49	28	19	5.74	48	41	3.19	51	47	4.31	50	36
83	Doe Spun 4/79-W	6.99	7	13	22.48	8	19	.30	71	68	15.69	3	13	2.24	19	30	33.23	8	9	11.57	10	14	3.49	38	57	19.44	5	16
84	Fairfield Noble 6/79-W	−14.45	77	76	−74.51	76	76	.38	64	34	−45.49	78	76	3.14	6	19	22.82	57	56	−12.58	84	81	3.82	29	51	−68.37	77	76
38	Farah Mfg. Co. 10/79-M	5.09	+	71	32.51	+	71	.76	3	3	7.58	+	69	1.48	68	54	25.43	45	58	4.73	55	77	3.49	42	36	11.33	+	69
100	Felco Sports 8/79-D	.02	62	28	.07	62	42	.52	38	71	.03	62	26	1.39	73	25	19.03	67	60	2.11	64	52	2.82	66	61	.05	62	27
99	Fox Knapp Mfg. 5/79-M	3.63	26	37	8.55	45	49	.45	53	42	4.63	42	47	1.27	75	75	22.08	58	64	7.05	35	46	1.34	82	84	7.00	40	46
51	Fritzi of Calif. 9/79-W	3.78	22	20	15.87	22	10	.24	75	74	11.92	10	5	3.15	5	2	27.33	36	28	6.86	36	31	7.33	4	2	15.54	14	6
33	Garan 9/79-M	4.39	15	17	11.99	32	22	.38	64	46	7.38	24	19	1.68	51	50	21.82	59	61	8.52	24	24	4.19	22	28	9.52	29	23
60	Garland Corp. 10/79-W	−3.12	70	67	−12.68	69	66	.55	29	38	−5.68	70	67	1.82	41	25	23.58	53	71	−2.21	78	78	4.63	18	15	−8.13	69	67
35	Hampton Ind. 12/79-M	3.21	34	31	13.59	29	29	.52	36	31	6.51	28	34	2.02	28	45	16.91	68	67	8.77	21	30	3.82	29	46	7.85	36	41
77	Harvey Woods 12/79-M	3.22	33	22	10.75	37	25	.57	22	34	4.56	43	25	1.41	72	58	31.00	14	27	8.64	22	23	1.86	80	75	10.19	27	17
46	Harwood Co. 12/79-M	−3.56	71	51	−25.26	72	39	.66	12	11	−8.35	73	54	2.34	17	43	16.73	76	63	−.24	75	54	3.96	26	25	−19.02	72	34
71	Hers Apparel 2/79-W	1.23	53	+	6.24	49	+	.49	44	34	3.17	51	+	2.56	13	19	21.31	61	57	1.49	65	58	5.77	7	10	4.03	51	+
54	House of Ronnie 6/79-W	5.98	11	11	18.56	13	18	.40	61	56	10.98	12	15	1.83	39	67	27.37	34	33	12.18	7	9	3.11	54	68	17.23	9	14
97	Howard B. Wolf 5/79-W	7.01	+	+	10.25	+	+	.13	83	84	8.85	+	+	1.26	78	78	31.73	13	28	5.21	51	67	2.35	76	81	10.18	+	+
53	Jack Winter 11/79-W	−.43	63	12	−.56	63	52	.17	79	81	−.46	63	33	1.05	81	81	26.07	42	6	−2.49	80	13	3.45	40	41	−.55	63	44
30	Jantzen 8/79-D	3.08	37	14	8.46	46	32	.36	64	60	5.21	37	23	1.68	51	69	29.51	22	12	5.86	45	34	2.89	59	60	8.74	41	30
53	Jody Tootique 9/79-W	7.13	5	7	26.60	7	3	.28	73	75	18.95	2	2	2.65	12	9	34.78	5	7	14.50	5	7	6.31	6	3	25.51	3	3
74	Joni Blair 6/79-W	−4.82	73	39	−35.50	74	14	.71	8	15	−10.11	74	31	2.09	23	22	6.86	83	74	−5.91	82	45	3.37	44	27	−35.50	74	7
105	Kappa Frocks 10/79-W	.20	61	63	1.47	59	62	.45	53	60	.80	59	63	3.83	3	1	19.61	65	66	.57	72	73	10.08	1	1	1.47	59	61
101	Kate Greenaway 1/79-W	−3.03	69	73	−18.18	70	75	.58	20	24	−7.83	72	74	2.51	14	29	29.81	18	34	−.58	76	82	2.84	60	69	−16.05	71	74
6	Kellwood Co. 4/79-D	.84	56	44	5.51	52	17	.73	6	7	1.45	55	42	1.72	47	60	14.52	80	78	4.80	54	38	2.42	73	72	3.23	53	29
36	Kennington 12/79-M	15.52	1	1	35.05	1	1	.20	78	69	27.84	1	1	1.79	44	45	40.30	3	5	27.10	1	2	3.19	51	36	34.76	1	1
93	King Louie Int'l. 1/79-D	8.94	3	2	14.84	25	9	.33	68	65	9.81	16	7	1.09	80	81	44.75	1	1	25.11	2	1	3.70	31	29	11.58	22	10
70	Kleinert's 9/79-W	−20.37	78	48	−60.68	75	28	.67	9	3	−19.46	76	59	.95	83	79	10.30	82	81	5.02	53	27	1.02	83	72	−37.53	75	39
18	Leslie Fay 4/79-W	2.91	39	45	14.33	26	34	.45	53	34	7.80	21	35	2.68	11	16	28.48	29	30	6.16	41	48	4.89	14	24	11.46	24	32
1	Levi Strauss 11/79-D	9.10	2	4	28.10	3	5	.47	47	60	14.82	5	4	1.82	58	52	37.74	4	4	15.67	3	4	3.53	36	34	24.53	4	5
88	Lilli Ann 12/79-W	3.73	23	24	5.96	51	55	.45	53	76	3.28	49	46	.87	84	80	28.58	27	36	2.93	61	69	4.19	23	41	4.03	51	52
50	Lynnwear Corp. 11/79-W	−6.51	75	52	−61.89	77	24	.75	5	18	−20.43	77	38	3.13	7	8	25.30	46	37	1.18	68	67	5.48	8	6	−48.94	76	34

96	Mack Shirt Corp. 12/79-W	5.50	+	58	*	+	61	1.94	1	1	21.30	+	43	3.86	1	4	26.68	40	49	9.09	19	37	4.90	13	17	*	+	63
10	Manhattan 1/79-D	2.58	46	49	14.93	24	33	.65	16	25	5.11	39	40	1.99	31	13	30.32	17	18	5.09	52	61	3.48	39	38	7.61	37	31
95	Martha Manning 12/79-W	−2.41	67	62	−5.49	66	63	.30	71	73	−3.80	67	61	1.57	63	60	20.62	64	44	−4.31	81	71	3.36	46	31	−4.56	66	62
72	Miller Bros. 9/79-M	.21	59	68	.74	60	68	.52	38	56	.35	61	68	1.60	60	40	20.77	62	77	1.33	66	80	3.65	32	30	.71	60	68
98	Monarch Wear 10/79-W	−5.90	74	+	*	*	+	1.60	2	2	−7.40	71	+	1.25	77	48	32.95	9	10	1.03	70	26	2.99	56	51	*	*	+
57	Movie Star 5/79-W	4.24	17	27	12.83	31	38	.33	68	50	8.47	18	29	1.99	31	39	26.72	39	51	7.91	29	44	2.63	65	62	11.90	21	25
31	Munsingwear 12/79-M	1.12	54	47	3.79	55	50	.52	38	46	1.80	53	48	1.59	61	64	26.76	38	26	2.60	63	55	2.82	63	66	2.42	55	53
90	Nantucket Ind. 2/79-W	1.96	48	60	14.15	27	52	.76	3	6	3.30	48	60	1.68	51	65	18.18	70	68	6.52	38	53	4.76	15	18	7.13	39	58
76	Nexus 7/79-D	3.04	38	57	12.91	30	56	.50	42	50	6.33	30	57	2.07	24	35	25.28	47	45	6.16	42	43	5.18	11	21	9.08	32	57
81	Noel Industries 10/79-D	.59	58	65	2.25	57	65	.50	42	53	1.10	58	65	1.86	36	15	18.13	71	75	2.74	62	76	3.85	27	19	1.95	57	66
62	Olga Co. 12/79-W	3.26	31	34	11.19	36	37	.43	60	49	6.34	29	30	1.94	34	31	34.29	6	8	8.02	27	21	2.60	67	63	9.18	31	37
59	Oneita Knitting 12/79-M	3.94	20	43	27.38	5	7	.64	18	11	9.75	17	24	2.47	15	11	16.53	78	79	9.85	17	40	4.69	17	13	14.73	15	26
67	Oshkosh B'Gosh 12/79-M	6.27	10	6	16.89	19	15	.24	75	78	12.71	6	6	2.02	28	37	27.34	35	17	11.56	11	6	3.32	47	59	15.58	13	9
14	Oxford Ind. 5/79-D	2.74	42	33	10.25	40	35	.45	53	50	5.59	34	28	2.04	26	23	19.30	66	65	6.13	43	42	3.21	50	48	7.93	35	33
12	Palm Beach Co. 10/79-D	4.24	17	10	18.32	14	4	.55	29	31	8.09	19	10	1.90	35	27	29.03	25	21	10.11	16	8	3.44	41	32	12.98	19	8
47	Pat Fashions 11/79-W	3.52	27	19	13.81	28	20	.24	75	80	10.41	13	9	2.95	8	6	21.82	59	54	3.25	59	63	6.86	5	5	13.81	16	13
11	Phil-Van Heusen 1/79-M	2.73	43	++	10.28	39	++	.57	22	31	4.32	45	++	1.58	62	40	27.69	32	32	5.75	47	60	2.73	64	53	6.47	43	++
108	Profile Sports 2/79-D	2.55	47	23	9.29	42	21	.44	59	39	5.12	38	20	2.00	30	34	32.68	10	13	8.58	23	15	3.55	35	50	7.39	38	21
25	Puritan Fashion 12/79-W	3.67	25	69	29.79	2	72	.66	12	5	10.12	14	71	2.75	10	12	30.90	16	53	10.69	14	62	4.74	16	16	19.01	6	72
53	Quality Mills 12/79-M	6.61	++	72	30.95	++	70	.54	34	7	14.05	++	70	2.12	21	51	20.67	63	76	5.66	49	75	2.47	70	79	22.23	++	70
65	Raven Ind. 1/79-D	4.75	13	16	19.49	9	13	.58	20	28	8.02	20	16	1.68	51	37	27.01	37	47	11.00	12	17	2.84	60	40	11.47	23	19
29	Russ Togs 1/79-W	4.66	14	18	11.30	35	40	.40	61	77	6.71	27	17	1.44	70	43	25.27	48	42	7.78	31	28	4.54	19	9	9.30	30	29
19	Russell Corp. 12/79-D	8.37	4	5	18.59	12	11	.40	61	58	11.04	11	11	1.31	74	73	28.12	31	31	15.80	4	5	3.81	33	36	13.75	17	12
17	Selant Corp. 11/79-M	.82	57	52	3.73	56	46	.66	12	25	1.26	57	52	1.52	65	32	13.73	81	80	4.33	57	47	2.45	71	64	2.21	56	51
82	Splentex 12/79-W	2.80	40	36	5.07	53	58	.08	84	82	4.66	41	49	1.65	56	77	16.72	77	69	2.96	60	66	2.22	77	83	5.07	46	55
39	Stanwood Corp. 8/79-M	4.69	+	+	19.29	+	+	.55	29	18	8.53	+	+	1.81	43	40	16.01	79	72	7.82	30	19	2.14	78	77	11.49	+	+
92	Stardust 6/79-W	−2.53	68	64	−8.16	67	64	.49	44	42	−4.15	68	64	1.63	57	60	23.22	55	52	.26	74	70	2.12	79	74	−7.92	67	64
91	State-O-Maine 2/79-M	3.34	30	+	18.94	10	+	.67	9	11	6.24	31	+	1.86	36	17	29.33	23	25	7.59	32	39	2.91	58	43	13.02	18	+
78	Sue Ann 3/79-W	3.81	21	55	17.86	16	54	.57	22	60	7.51	22	51	1.97	33	19	32.49	11	35	7.09	34	59	5.38	9	7	10.94	25	54
48	Superior Surg. 12/79-D	2.80	40	35	9.29	42	45	.54	34	39	4.21	46	41	1.50	67	74	29.23	24	23	7.92	28	32	2.30	75	80	5.04	47	49
55	Tobias Kotzin 10/79-M	6.81	8	3	18.26	15	2	.15	80	67	15.49	4	3	2.27	18	32	32.44	12	3	11.73	9	3	5.25	10	20	18.26	7	2
28	Tultex 11/79-M	4.21	19	14	15.87	22	11	.57	22	22	6.81	26	18	1.61	59	57	23.37	54	59	9.60	18	12	3.85	27	22	9.74	28	22
56	Unitog Company 1/79/D	2.59	44	42	7.17	47	51	.47	47	53	3.74	47	44	1.44	70	71	43.02	2	2	6.13	43	16	2.54	68	76	4.89	49	50
5	VF Corp. 12/79-D	7.13	5	8	17.64	17	22	.32	70	72	11.95	9	14	1.87	55	69	29.74	19	14	10.94	13	10	4.03	25	33	15.75	12	18
9	Warnaco Inc. 12/79-D	3.69	24	+	17.59	18	+	.57	22	20	7.50	23	+	2.03	27	36	29.56	21	20	8.09	26	36	3.18	53	56	12.17	20	+
45	Wayne-Gossard 12/79-D	−.52	64	54	−1.38	64	57	.35	67	65	−.89	64	56	1.72	47	54	18.08	73	62	1.09	69	56	2.35	74	70	−1.19	64	56
43	Wilson Bros. 12/79-M	−3.57	72	66	−20.85	71	67	.73	6	16	−5.51	69	66	1.54	64	48	17.15	75	70	−2.22	79	72	3.37	44	45	−8.69	70	65
27	Wm. Carter Co. 12/79-W	3.09	36	21	10.56	38	26	.47	47	39	5.50	36	27	1.78	45	63	25.01	50	38	7.10	33	20	2.45	71	78	6.60	42	38
26	Work Wear Corp. 12/79-D	3.42	28	40	11.87	33	44	.57	22	25	5.02	40	45	1.46	69	72	25.71	44	48	10.40	15	21	3.06	55	53	8.62	33	45

1978 rankings are based on original data and have not been recalculated for companies that have restated fiscal 1978 data.

Rankings in blue ink indicate relative standings for fiscal year ending in 1979.
Rankings in black refer to standings in the previous fiscal year based on the present mix of companies.

\+ *Extraordinary gains exceed 1% of net sales; therefore these companies are unranked.*
++ *Extraordinary deductions exceed 1% of net sales; therefore these companies are unranked.*
§ *Cost of goods sold not broken out; unranked.*
* *Unavailable*

MISCELLANEOUS AND MULTI-INDUSTRY FIRMS

Company	Sales ($000)	Net Income ($000)	Net A.T. Inc. on Sales %	Return on Total Equity %	Total Debt to Assets	Return on Total Assets %	Sales to Total Assets	Gross Margin %	Oper. Margin %	Inv. Turns	Return on Invested Capital %
Angelica 1/79	**144,879**	**5,549**	**3.83**	**10.49**	**.43**	**5.96**	**1.55**	**30.48**	**8.79**	**2.81**	**8.32**
Biltmore Ind. 12/79	**17,482**	**551**	**3.15**	**16.35**	**.62**	**6.20**	**1.96**	**27.86**	**7.82**	**3.01**	**16.35**
Boss Mfg. Co. 3/79	**55,438**	**1,440**	**2.59**	**13.03**	**.52**	**6.21**	**2.39**	**26.73**	**6.98**	**3.34**	**9.77**
Fownes Bros. 12/79	21,253	1,570	7.38	12.68	.21	9.92	1.34	30.32	15.28	1.55	12.68
Genesco 7/79	992,925	6,332	.63	6.98	.74	1.75	2.75	32.23	2.81	3.27	2.87
Gladding Corp. 9/79	25,607	14,996	58.56	483.11	.84	76.63	1.30	16.94	-.38	2.82	223.35
Hart Sch. & Marx 11/79	**630,751**	**21,015**	**3.33**	**9.86**	**.39**	**5.99**	**1.79**	**38.41**	**5.27**	**2.36**	**7.86**
Interco 2/79	**1,851,458**	**92,576**	**5.00**	**13.53**	**.31**	**9.22**	**1.84**	**31.56**	**9.55**	**3.09**	**11.48**
Nat'l Student Mkt. 12/79	**39,917**	**5,688**	**14.24**	**12.41**	**.28**	**8.91**	**.62**	**20.78**	**1.94**	**6.66**	**10.64**
Opelika Mfg. 12/79	76,424	2,380	3.11	9.45	.58	3.94	1.26	16.78	9.16	2.63	6.23
ProGroup 9/79	21,978	128	.57	1.78	.44	1.00	1.74	22.78	1.83	4.39	1.48
Richton Int'l 4/79	83,234	874	1.05	3.25	.49	1.63	1.55	37.87	5.00	2.48	2.41
Spencer Cos. 6/79	**56,996**	**946**	**1.65**	**5.67**	**.35**	**3.68**	**2.21**	**32.89**	**3.56**	**3.47**	**4.67**
Talley Ind. 3/79	**433,190**	**10,495**	**2.42**	**10.00**	**.64**	**3.52**	**1.45**	**23.77**	**5.80**	**2.90**	**5.65**

WHAT THE RATIOS MEAN

Net After-Tax Income on Sales — Net income divided by net sales and reported as a percentage. This figure is frequently labeled Return on Sales although KSA declines use of this title since extraordinary items are included in net income. Net sales is gross sales less discounts and allowances for returns and bad debts.

Return on Total Equity — Net income divided by total equity, reported as a percentage. The figure is a good measure of performance on behalf of the owners of the firm.

Total Debt to Assets — The sum of current liabilities, deferred liabilities, and long-term debt; divided by the book value of total assets. The quotient indicates the proportion of assets supported by creditor supplied funds. Values usually range between zero and one. (Value greater than one indicate that a negative shareholders' equity exists.) Values approaching one indicate the possibility of high financial risk exposure. Whether that risk is short-term (i.e., likely deficiency of liquid assets to cover near-term debt maturities) or long-term, with its attendant contractual interest requirements, can be ascertained by dividing Return on Total Assets by Return on Invested Capital. This yields the proportion of long-term sources of funds in the financial structure. Very low figures may indicate management's unwillingness to take risks.

Return on Total Assets — Net income divided by the book value of total assets, converted to a percentage. This figure is often used as an indicator of the return on the total investment in the firm, irrespective of financing; although most analysts correctly suggest that to make this measure more precise, one must add tax-adjusted interest payments to net income before dividing.

Sales to Total Assets — Net sales divided by total assets. This result is frequently called total asset turnover or simply turnover. Again, we are reluctant to use these terms due to the inclusion of intangible items in the total asset base. A high ratio may indicate inadequate planning for growth and/or operating at or above full capacity. A low ratio suggests overinvestment or inefficient use of assets.

Gross Margin — Net sales less cost of goods sold, divided by net sales and multiplied by 100 to make a percentage. The result is a good proxy for manufacturing profit.

Operating Margin — Net sales less cost of goods sold as well as selling, general, and administrative expense; divided by net sales and reported as a percentage. It is a good measure of a company's profitability on its primary, continuing operations.

Inventory Turns — Cost of goods sold divided by the average of the ending inventory for the year and prior year total inventory. Excessively high figures can be symptomatic of deteriorating customer service while unusually low turns can suggest unduly high safety stocks and the high cost of supporting them.

Return on Invested Capital — Net income divided by the sum of total equity and long-term debt. Many consider this figure to be the best single measure of performance for it represents the return to committed capital and is resistant to attempts to windowdress public financial statements.

(Continued from page 5)

helped it achieve an $11 million turnaround from its 1978 loss, Russ Togs used flexible sourcing to good advantage, and smaller firms like House of Ronnie, Doe Spun, and Country Miss turned in superior profit ratios. Those companies still heavily committed to knits — Bodin, Fairfield Noble, and Garland are examples — had their problems.

Men's Wear: Steady Gains

The 23 firms in Men's Wear this year also made more money (+34%) on a modest (+7%) sales increase. The group's 3.1% return on sales was its highest over the last five years, as were its returns on equity (11.6%) and on invested capital (7.7%.)

This usually staid category included the top performing company in 1979, as well as some spirited turnarounds. Kennington placed first in net income on sales (15.5%), return on equity (35%) and return on invested capital (34.8%.) Just to prove 1979 was no accident, this Los Angeles-based importer of men's sportswear also led the five-year top performers. Kennington's sales-to-fixed-assets ratio was 37; for the heavily equipped men's wear group as a whole, the ratio was 9.1. International sourcing has its advantages.

Oshkosh B'Gosh, another perennial top performer, parlayed its product mix (36% overalls, which now must be considered style items) into a 6.3% net income on sales. While the ratio was down slightly from 1978, the extra profit dollars converted to a 6% increase in earnings per share.

Among the men's wear turnarounds, PVH went from a $3.8 million loss to an $8.9 million gain in its fiscal year, which ended in January, 1979. After three difficult years, Farah is back on track with a 5.1% profit figure, $8.3 million ahead of its 1978 loss. Quality Mills, aided by the popularity of knit shirts in active sportswear, turned its 1978 loss of 5% to a 6.6% profit last year.

Timing, Size and Performance

There can be a difference of as much as 11 months between the fiscal year closings of companies in the same Profile. What effect did this have upon performance in 1979, when the economic climate was so volatile? An analysis shows that there was no meaningful correlation; the 29 companies whose fiscal years ended in the first half of the year averaged 2.29% net income on sales, and the 55 who closed in the busier second half of the year averaged 2.04%.

A direct relationship between large size and good financial performance did emerge this year, however. The 25 companies in the largest third of the sample whose returns could be ranked were split 13/12 between top and middle performances; none appeared in the lowest third of performances. Conversely, companies in the middle and lowest size categories were spread among all three performance levels, but tilted towards the lower end.

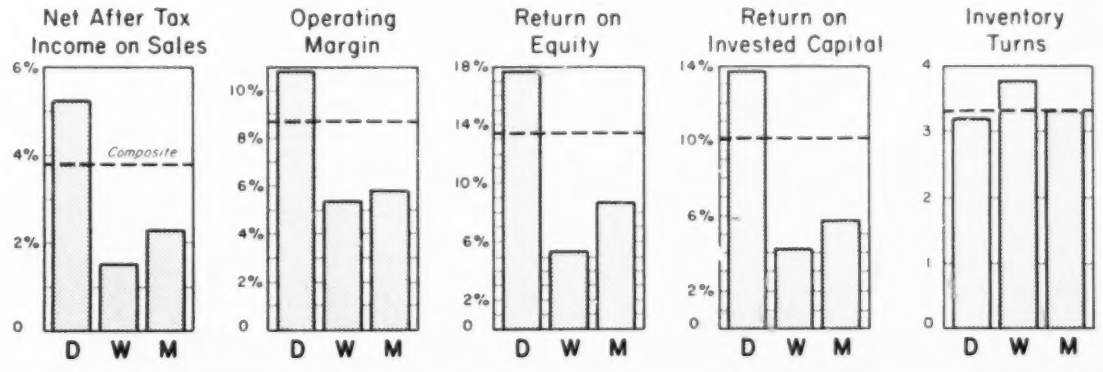
This only reinforces the obvious: large size and good financial performance are becoming a formidable factor in apparel. To be sure, size alone cannot protect an apparel manufacturer from setbacks. Further, there are many small, well managed private companies operating quite successfully in specialized markets. But the elements that make a company large and keep it growing — strong marketing and specialized management in particular — are the same things that produce consistently good financial results. Size feeds on itself.

RESULTS OF THE FIVE LARGEST FIRMS

(Levi Strauss, Blue Bell, Cluett, VF, Kellwood)

	Five-Firm Composite	All-Industry Composite
Total Sales	$4,869,563	$10,863,692
Total Income	319,324	499,604
Net A.T. Income on Sales	6.6%	4.6%
Return on Total Equity	20.8%	15.9%
Operating Margin	11.7%	9.1%

FIVE YEAR PERFORMANCE INDICATORS



TOP PERFORMERS . . . BY THE DOZEN Fiscal 1979

Apparel companies in the Profile who turned in the best 12 performances in three key ratios appear on this page. Previous rankings have been recalculated in some cases to account for the new company mix in this year's report.

NET A.T. INCOME ON SALES

	Company	Sales ($000)	Net A.T. Income on Sales	1978 Rank
1	Kennington (M)	94,678	15.52	1
2	Levi Strauss (D)	2,103,109	9.10	4
3	King Louie Int'l (D)	11,677	8.94	2
4	Russell Corp. (D)	190,640	8.37	5
5	Jody Tootique (W)	51,893	7.13	7
5	VF Corp. (D)	544,310	7.13	8
7	Doe Spun (W)	18,993	6.99	13
8	Tobias Kotzin (M)	49,571	6.81	3
9	Blue Bell (D)	1,029,453	6.53	9
10	Oshkosh B'Gosh (M)	30,188	6.27	6
11	House of Ronnie (W)	50,217	5.98	11
12	Country Miss (W)	35,167	5.88	24

RETURN ON TOTAL EQUITY

	Company	Sales ($000)	Return on Total Equity %	1978 Rank
1	Kennington (M)	94,678	35.05	1
2	Puritan Fashion (W)	160,335	29.79	72
3	Levi Strauss (D)	2,103,109	28.10	5
4	Country Miss (W)	35,167	27.94	8
5	Oneita Knitting (M)	46,807	27.38	7
6	Ann Stevens (W)	6,397	26.94	6
7	Jody Tootique (W)	51,893	26.60	3
8	Doe Spun (W)	18,993	22.48	18
9	Raven Ind. (D)	32,498	19.49	*
10	State-O-Maine (M)	11,775	18.94	+
11	Blue Bell (D)	1,029,453	18.93	15
12	Russell Corp. (D)	190,640	18.59	11

RETURN ON INVESTED CAPITAL

	Company	Sales ($000)	Return on Invested Capital %	1978 Rank
1	Kennington (M)	94,678	34.76	1
2	Ann Stevens (W)	6,397	26.94	4
3	Jody Tootique (W)	51,893	25.51	3
4	Levi Strauss (D)	2,103,109	24.53	5
5	Doe Spun (W)	18,993	19.44	16
6	Puritan Fashion (W)	160,335	19.01	72
7	Tobias Kotzin (M)	49,571	18.26	2
8	Country Miss (W)	35,167	17.96	15
9	House of Ronnie (W)	50,217	17.23	14
10	Blue Bell (D)	1,029,453	16.91	11
11	Bi-State Ind. (W)	5,754	16.30	19
12	VF Corp. (D)	544,310	15.75	18

THE COMPLETE PROFILE

This issue of *Perspectives for Apparel Management* contains excerpts from the complete industry Profile, a print-out of over 600 pages produced by a computer program developed by KSA.

The full print-out covering five fiscal years ending in 1975 through 1979 is available for in-depth comparisons and study. It includes a compilation of five-year average performances in five pertinent ratios for all companies and industry segments.

For each of the companies, as well as the three industry segment composites and the total industry aggregate, the report contains:

1. Balance sheets in both dollars and percentages.
2. Income statements in both dollars and percentages.
3. Statements of changes in working capital.
4. A comprehensive list of ratios, including:
   - Current Ratio
   - Acid Ratio
   - Receivables Turns per Year
   - Inventory Turns per Year
   - Sales/Inventory
   - Return on Sales
   - Return on Invested Capital
   - Return on Total Equity
   - Return on Common Stock

TOP PERFORMERS OVER THE PAST FIVE YEARS

Five-year performances have been calculated in order to gain a long-term perspective. Below are the top performers in terms of their 1975-1979 figures. (Only those firms with five years of data were considered for this ranking.)

NET A.T. INCOME ON SALES

	Company	5-Year Sales ($000)	Net A.T. Income On Sales %
1	Jack Winter (W)	311,017	9.81
2	Kennington (M)	364,115	9.78
3	Levi Strauss (D)	7,579,425	8.38
4	Russell Corp. (D)	740,794	7.30
5	Jody Tootique (W)	203,071	7.06
6	Blue Bell (D)	4,074,462	6.72
7	Oshkosh B'Gosh (M)	120,314	6.67
8	VF Corp. (D)	2,346,413	6.22
9	Doe Spun (W)	62,615	5.59
10	Tobias Kotzin (M)	192,170	5.42
11	House of Ronnie (W)	187,964	5.19
12	Sue Ann (W)	114,935	5.18

RETURN ON INVESTED CAPITAL

	Company	5-Year Sales ($000)	Return on Invested Capital %
1	Kennington (M)	364,115	30.52
2	Jody Tootique (W)	203,071	30.09
3	Levi Strauss (D)	7,579,425	23.14
4	Ann Stevens (W)	18,548	20.23
5	Fritzi of Calif. (W)	254,953	19.85
6	Blue Bell (D)	4,074,462	17.93
7	Sue Ann (W)	114,935	17.85
8	Oshkosh B'Gosh (M)	120,314	16.42
9	Tobias Kotzin (M)	192,170	15.03
10	Jack Winter (W)	311,017	14.92
11	Hers Apparel (W)	122,723	13.93
12	Palm Beach (D)	1,038,380	13.84

RETURN ON TOTAL EQUITY

	Company	5-Year Sales ($000)	Return on Total Equity %
1	Jody Tootique (W)	203,071	31.25
2	Kennington (M)	364,115	31.07
3	Levi Strauss (D)	7,579,425	27.07
4	Oneita Knitting (M)	203,250	23.57
5	Hers Apparel (W)	122,723	21.87
6	Sue Ann (W)	114,935	21.40
7	Palm Beach Co. (D)	1,038,380	21.23
8	Blue Bell (D)	4,074,462	20.86
9	Fritzi of Calif. (W)	254,953	20.83
10	Ann Stevens (W)	18,548	20.23
11	Country Miss (W)	130,444	19.04
12	Oshkosh B'Gosh (M)	120,314	18.17

— Return on Total Assets
— Operating Return
— Cash Flow/Sales
— Sales/Total Assets
— Sales/Net Worth
— Sales/Working Capital
— Fixed Assets/Net Worth
— Long-Term Debt/Invested Capital
— Long-Term Debt/Net Worth
— Long-Term Debt/Common Equity
— Total Debt/Total Assets
— Interest Coverage
— Total Coverage

In addition, composite data for the industry segment groupings are presented in the same manner as the individual company compilations, as sums of all company performances in each group. Comparative data among the companies in each industry segment group are also included.

Industry totals (with and without the multi-industry companies), and data comparing the industry segments with the total industry, are also presented.

A year-to-year percent change analysis for nine pertinent variables for each company, industry segment and composite is also included.

A full print-out is available from KSA at a cost of $200.

DOE SPUN
CONNELLY ROAD
EMIGSVILLE PA 17318

BARRY SCHWARTZ, CHMN
STEVEN GUMENBICK, PRES
GLORIA STAAB, TREAS
OTC- DOES

CHILDREN'S WEAR

100 PCT

PROFIT AND LOSS DATA - DOE SPUN

FISCAL PERIOD ENDING	APR 1979		APR 1978		APR 1977		APR 1976		APR 1975	
	$	PCT	$	PCT	$	PCT	$	PCT	$	PCT
NET SALES	18993	100.00	14983	100.00	11991	100.00	8708	100.00	7940	100.00
- COST OF GOODS SOLD	12681	66.77	9902	66.09	8033	66.99	5758	66.12	5190	65.37
GROSS PROFIT	6312	33.23	5081	33.91	3958	33.01	2950	33.88	2750	34.63
- SELL. GEN. & ADMIN	4113	21.66	3614	24.12	2879	24.01	2145	24.63	1945	24.50
OPERATING EARNINGS	2199	11.58	1467	9.79	1079	9.00	805	9.24	805	10
- INTEREST EXPENSE	115	0.61	63	0.42	63	0.53	49	0.56	-15	
MISC. INC. OR EXP.	301	1.58			6	0.05	-14	-0.16		
[illegible] TAX	2385	12.56	1404	9.37	1022	8.52	742	8.52		
WORK[illegible]	1056	5.56	648	4.3[illegible]	451	3.76	340	3.90		
NET INCO[illegible]	1329	7.00	756			4.76	402	4.6[illegible]		
DEPRECIATION										
CHANGE IN L-T DEBT					-24		402			
CHANGE IN DEFERRED	0		-		0					
CHANGE IN PREF STK	0		0		0					
CHANGE IN COMMON	0		310		-211		0			
DIVIDENDS PAID	-942		-142		-95		-111			
CAPITAL EXPEND.	-346		-482		-161		-358			
MISC ASSETS CHANGE	323		-558		-78		-23			
MISC TRANSACTIONS	1		-406		0		0			
WORKING CAP AT END	4590		3143		3164		2941			

Shown above is part of an actual Profit and Loss page with company product and officer information from the complete apparel print-out.

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